

WORKFORCE SAFETY AND INSURANCE

State Investment Board Balance Sheet As of 8/31/2008

	As of <u>8-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 159,834,436	\$ 160,848,827
INTERNATIONAL EQUITIES	84,878,343	91,156,690
DOMESTIC FIXED INCOME	898,526,782	906,858,202
REAL ESTATE	84,204,431	83,402,474
INVESTED CASH (NOTE 1)	<u>6,513,780</u>	<u>8,442,930</u>
TOTAL INVESTMENTS	1,233,957,772	1,250,709,123
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	8,269,645	8,442,880
MISCELLANEOUS RECEIVABLE	<u>880</u>	<u>1,963</u>
TOTAL RECEIVABLES	8,270,525	8,444,843
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	136,798,103	136,798,103
OPERATING CASH	<u>54,441</u>	<u>45,423</u>
TOTAL ASSETS	<u>\$ 1,379,080,841</u>	<u>\$ 1,395,997,492</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	136,798,103	136,798,103
ACCOUNTS PAYABLE	5,146	8,668
ACCRUED EXPENSES	16,061	14,147
INVESTMENT EXPENSE PAYABLE	<u>1,481,102</u>	<u>1,481,102</u>
TOTAL LIABILITIES	138,300,412	138,302,020
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,257,695,472	1,299,957,605
CASH IN DURING YEAR (NOTE 3)	1,000,000	4,000,000
CASH OUT DURING YEAR (NOTE 4)	8,500,000	55,000,000
NET INCREASE (DECREASE)	<u>(9,415,043)</u>	<u>8,737,867</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>1,240,780,429</u>	<u>1,257,695,472</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 1,379,080,841</u>	<u>\$ 1,395,997,492</u>

WORKFORCE SAFETY AND INSURANCE

State Investment Board Profit and Loss Statement For the Month Ended 8/31/2008

	Month Ended <u>8-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,900,182	\$ 8,481,943
SECURITIES LENDING INCOME	312,609	610,990
	<u>4,212,791</u>	<u>9,092,933</u>
 GAIN ON SALE OF INVESTMENTS	 13,652,656	 26,157,282
LOSS ON SALE OF INVESTMENTS	<u>13,641,638</u>	<u>27,276,156</u>
 NET GAINS (LOSSES) INVESTMENTS	 11,018	 (1,118,874)
 INVESTMENT EXPENSES	 344,572	 1,535,433
SECURITIES LENDING EXPENSES	258,544	502,181
 NET INVESTMENT INCOME	 3,620,693	 5,936,445
 NET APPREC (DEPREC) MARKET VALUE	 108,486	 (15,490,852)
MISCELLANEOUS INCOME/(EXPENSE)	<u>166,298</u>	<u>160,732</u>
 TOTAL INVESTMENT INCOME	 <u>3,895,477</u>	 <u>(9,393,675)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	10,611	21,368
 NET INCREASE (DECREASE)	 <u>\$ 3,884,866</u>	 <u>\$ (9,415,043)</u>

WORKFORCE SAFETY AND INSURANCE

State Investment Board SUPPLEMENTARY INFORMATION As of 8/31/2008

	As of <u>8/31/08</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	110,581,787
SMALL CAP EQUITY	<u>44,830,992</u>
DOMESTIC EQUITIES	155,412,779
INTERNATIONAL EQUITY	88,595,176
FIXED INCOME	898,171,295
REAL ESTATE	78,737,368
INVESTED CASH (NOTE 1)	<u>6,513,780</u>
TOTAL INVESTMENTS (AT COST)	<u><u>\$1,227,430,398</u></u>

WORKFORCE SAFETY AND INSURANCE
Notes To Financial Statements
August 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.